



February 7, 2002

The Hartley County Harvester

Hartley County FSA
District 1
PO Box 177
Hartley, TX 79044-0177

Voice: (806) 365-4453
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Hours:
Monday-Friday
8:00 AM – 4:30 PM

County Committee:
Marvin Batenhorst
Joe Parker
Bud Sneed

Minority Advisor:
Babette Spinhirne

Farm Program Staff:
Glen Clugy, CED
Becky Brown, PT
Becky Voight, PT
Teresa Gates, PT

Farm Loan Staff:
(Dalhart Office)
Marc Lathem, FLM
Barbara Koch, PT

Regular Committee Meetings
held on the 3rd Wednesday of
each Month.

Dates to Remember

March 31st – Final date to
request a 2002 small
grain loan or LDP

April 1st – Final date to
select base & yield
options for the DCP
Farm Program

April 1st – Final date to
graze small grain acres
you intend to
mechanically harvest

May 15th – Final date to
report 2003 small grain
crops on which harvest
has not been started

May 31st – Final date to
request a feed grain
loan or LDP

June 1st – Final date to
enroll a farm into the
2002 and/or 2003 DCP
Farm Program.

On the World Wide Web:
USDA Washington Office
www.usda.gov
FSA Washington Office
www.fsa.usda.gov
Texas State FSA Office
www.fsa.usda.gov/tx
Hartley FSA
www.fsa.usda.gov/tx/tx205



DCP Farm Program Signup



WE NEED YOU to make an appointment to enroll your farms into the new Farm Program. With only 2-months left to enroll farms, we are only 40% complete and to avoid unnecessary delays and to assure that you will be waited on when you visit our office, we encourage you to make an appointment immediately. Depending on which option you select for each of your farms, it can take up to 1½ hours per farm to complete the process.

The options available to you may seem overwhelming, but the following may help.

■ If you were in the Production Flexibility Contract (PFC) program and you planted covered commodities on that farm between 1998 and 2001, you can use the PFC base or the 4-year planted average of the planted covered commodities.

■ If you did not plant a commodity on a PFC farm between 1998 and 2001, your DCP base is established using the farm's existing PFC bases.

■ A farm that did not participate in PFC will have a base created using their historical plantings of covered commodities between 1998-2001.

■ PFC farms that grew soybeans or minor oilseeds between 1998 and 2001 have five options for updating crop bases.

Bases not updated by April 1 will automatically revert to the PFC base. **The April 1st deadline is outlined in the legislation and will not be extended.**

If your farm was not enrolled in PFC, you will end up with a zero base. So it is important for non-participants to act now!

Also, remember:

■ Landowner signatures are required to update bases and yields and to receive an advance payment.

■ Only farmers who have a risk in the crop are eligible for DCP payments.

■ Landowners cash leasing their entire farm to a farmer are not eligible for the DCP payment. However, they must still approve the base and yield updates.

Prior to making an appointment, you should research the options available to you by using the software on the internet at www.fsa.usda.gov or by calling Kurt Dahl, Hartley County Extension Agent at (806) 235-3122 so he can assist you in knowing the option best for you. You will also need to compile your 1998-2001 production evidence records prior to coming in if you intend to update your bases and counter-cyclical yields.

Adjusted Gross Income Provisions

“Adjusted gross income” (AGI) limitations will be effective starting with the 2003 crop year. This limitation states an individual or entity shall not be eligible to receive certain benefits if the individual or entity's AGI exceeds \$2.5 million and less than 75 percent of the gross income is derived from farming, ranching or forestry operations. AGI is required for DCP, conservation programs, LDPs and marketing loan gains. AGI takes into account income from the three previous years. For 2003 payment eligibility purposes, the AGI amounts reported for the years 2002, 2001, and 2000 will be used. Each individual must complete the AGI form. For an entity, both the entity and the individuals in the entity must complete the form.

Conservation Compliance

Operators are reminded that in order to receive payments, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions are required. Farmers with HEL soils need to be aware of tillage, crop residue, and rotation requirements as specified in your conservation plan. Contact NRCS if you have any questions about your conservation plan. Don't wait until after you plowed the ground to find out you are out of compliance. It is also very important that you contact our office before modifying (tiling, draining, dredging, filling or leveling) any wetland or drainage ditch. Failure to obtain advance approval for any of these situations can result in loss of all Federal payments and eligibility.

Controlled Substance Violations

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Violations also include convictions for possession and trafficking of controlled substances.

Commodity Loan Reminder

9-month loans are available for corn, soybeans, barley, wheat and oats at low interest rates. Participation in PFC or DCP is not required.

March 31st is the final date to request an LDP for wheat, oats, and barley while May 31st is the final date for corn, sorghum, soybeans, and sunflowers.

MILC Update	<p>We now have the ability to make monthly MILC payments. However; please review the following two recent changes to the MILC program. Failure to act could delay future MILC payments.</p> <p>First, the number of changes to the program has rendered the current MILC Appendix obsolete (You signed the appendix when you entered into the program. That document lists the prevalent terms and conditions of the program.). The most significant change to the Appendix is the provision requiring dairy operations to make their “month” selection to receive payments on or before the 15th of the month before the month begins. Previously, producers had to select the month on or before the 23rd of the desired month.</p> <p>As a result, dairy operations must complete a new CCC-580-Addendum-1 by March 14, 2003. After this date, operations with out the new appendix will not get paid until this document is completed and submitted to the office. All producers on the contract must sign and date the addendum. This form may be submitted by fax, mail or in person.</p> <p>The second change involves production evidence submitted by Co-ops. Our office may accept this information directly from the handler provided that your operation submits a written statement allowing FSA to receive the production evidence directly from the Co-op or handler. This authorization will remain in effect until the end of the contract or you cancel the agreement. Terminating the agreement must be in writing. Again, all producers on the contract must sign the authorization.</p> <p>An example of this authorization is available at our office. There is no deadline for this action, however, we would like to receive this from you soon so we remain in compliance with agency regulations.</p>
Payment Limitation & Eligibility	<p>USDA payments and benefits are subject to producer eligibility and limitation provisions. Documents and forms to determine eligibility are reviewed on an annual basis. It is your responsibility to report changes in your farming operation that may affect payment eligibility and payment limitation. Entities such as corporations, limited partnerships, trusts and estates are required to provide names, addresses, and ID numbers of their members. You must provide the office with documentation of who can sign on behalf of the entity. Other payment limitation (PL) requirements to consider are:</p> <ul style="list-style-type: none">■ The producer or the County Committee may initiate PL and eligibility determinations■ All producers are subject to end-of-year reviews to ensure operations are farmed according to the way your farm operating plan is filed.■ Spouses may be considered separate “persons” for PL if this determination is requested and the applicable requirements are met.■ A determination of “not actively engaged in farming” results in program ineligibility. <p>The following list indicates programs requiring PL determinations and the maximum payment limit.</p> <p>For wheat, corn, cotton, grain sorghum, barley, oats, soybeans, minor oilseeds and rice:</p> <ul style="list-style-type: none">■ DCP/Direct Payment - \$40,000■ DCP/Counter-Cyclical Payment - \$65,000■ LDP/Market Gains - \$75,000 <p>For peanuts, wool, mohair and honey:</p> <ul style="list-style-type: none">■ DCP/Direct Payment - \$40,000■ DCP/Counter-Cyclical Payment - \$65,000■ LDP/Market Gains - \$75,000 <p>Environmental Quality Incentive Payments (EQIP) - \$450,000 per contract</p> <p>Conservation Reserve Program (CRP) - \$50,000</p> <p>Emergency Conservation Program (ECP) - \$200,000</p> <p>Noninsured Assistance Program (NAP) - \$100,000</p> <p>There is no payment limitation for MILC. Those payments are subject to 2.4 million pounds of production.</p>
Operating Loans	<p>Producers applying for a direct or guaranteed operating loan need to begin the process now. Start by gathering last year’s production records and then schedule an appointment with a loan manager or officer to determine your borrowing needs. Operating loans can be used to finance livestock, crops, machinery, and refinance chattel debts. Remember that funds are issued on a first come-first serve basis. For more information, please contact Marc Lathem at (806) 244-6640.</p>
EM Loans Available	<p>Hartley County has been declared eligible for Emergency Loan (EM) assistance due to drought and excessive temperatures during 2002.</p> <p>Producers who suffered at least a 30% loss in production or suffered qualifying physical losses may be eligible for an EM loan. Losses must be supported with documented records. Farmers must be unable to obtain credit from private lenders. EM interest rates are 3.75%.</p> <p>EM loans will be accepted until June 23, 2003. For more information, contact our Farm Credit personnel at the Dallam County FSA Office.</p>
Operating Loan Limits Extended	<p>Under certain circumstances, the farm bill provided “term limit extensions” for farmers who have exceeded operating loan term limits. This applies to “direct” loans only. Now borrowers may receive a one-time, 2-year extension for direct loans if they are unable to obtain credit elsewhere. Farmers must complete borrower training and have a viable operation. Farmers who have reached this limit do not need to request the extension. However, extensions are NOT automatic. Individuals CANNOT appeal an Agency decision to decline an extension request</p>
Year End Analysis	<p>Producers that have a farm loan with FSA are reminded they must provide data for their Year-End Analysis (YEA) to their loan officer each year. Borrowers are urged to provide this information timely so that their files can be maintained. The office will contact you for the data you will need to assist us.</p>

Non-Insured Crop Coverage

Noninsurable crops like native grass pastures, graze-out wheat, wheat hay, forage sorghums, etc. that are not eligible for FCIC insurance coverage are eligible for risk protection under our Noninsured Assistance Program (NAP). This program resembles crop insurance since it was designed to reduce financial losses resulting from weather-related crop disasters. Once all eligibility requirements have been satisfied, a payment will be issued to you if your crop suffers eligible losses exceeding 50% of your expected yield. NAP yields are based on your actual historical production. The payment rate for NAP is based on 55% of the crop's established market price. The cost is \$100/crop/producer with a \$300 cap per county - not to exceed \$900 total for all counties.

Some of the important NAP deadline dates are:

Sales Closing Dates:

September 1 st	Small Grains for Grazing
September 30 th	Small Grains for Mechanical Forage
December 1 st	Native & Improved Pastures and Alfalfa for Grazing
March 1 st	Alfalfa for Mechanical Forage
March 15 th	Forage Sorghums for Grazing & Mechanical Forage

NOTE: NAP coverage does not begin until 30 days after your application is filed and you paid the administrative fee. So file for NAP 30 days before planting.

Final Planting Dates:

October 1 st	Small Grains for Full Season and Fall/Winter Grazing
November 15 th	Small Grains for Spring Grazing and Mechanical Forage
June 30 th	Forage Sorghums for Grazing
July 15 th	Forage Sorghums for Mechanical Forage

Final Acreage Reporting Dates:

Small Grains for Grazing	Earlier of 15-days prior to the onset of grazing OR 15-days after the final planting date for the crop.
Small Grains for Mechanical Forage	Earlier of 15-days prior to harvest OR May 15 th .
Native & Improved Pastures	Earlier of 15-days prior to the onset of harvest (includes grazing) in the calendar year OR July 15 th .
Alfalfa and Forage Sorghums	Earlier of 15-days prior to the onset of harvest (includes grazing) OR July 15 th .

NOTE: An acreage report must be filed before a Notice of Loss can be accepted for the crop.

Notice of Loss: Within 15-days after the date of the disaster occurrence OR date damage to the specific crop acreage is apparent. Separate Loss Notification must be filed for each disaster occurrence.

Application for Payment: No later than the subsequent crop year acreage reporting date for the crop following the crop year in which the loss occurred.

Foreign Land-owners

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. FSA administers this program for USDA. Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25% of the fair market value of the property. County government offices, realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements. It is the foreign person's responsibility to report the land transactions.

Farm Records Update

If you have bought or sold land, or if you have picked up or dropped rented land from your operation, make sure you report the changes to the office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time in the spring.

Direct Deposit

Payments from FSA are required by law to be directly deposited into a producer's savings or checking account. When a payment is made, our office will send you a transaction statement indicating the payment type and amount. All producers were required to have initiated Electronic Funds Transfer (EFT) by January 1, 1999. Any person may request a waiver of EFT if it poses a financial or personal hardship. It is important that any changes to your account - such as bank mergers, changes to your routing number or account numbers, or if you close your account - be provided to the county office promptly to avoid possible payment delay.

Power of Attorney

For those who find it difficult to visit the office personally because of various reasons such as work schedules, distance, health, etc., we have a Power of Attorney form available so you can designate another person to conduct your business at the office. If you are interested, please contact our office for more information.

Individuals with power of attorney forms on file prior to the signing of the new farm bill will likely need to have a new power of attorney form completed if you haven't done so by now. A new form has been created to specifically address the programs of the new farm bill.

<i>FAX Users</i>	Recent changes now allow a facsimile signature to be deemed an original signature for most programs. However, in order to take advantage of this, you must sign a form (FSA-237) in the county office.
<i>Special Accom- modations</i>	Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office directly or by phone.
<i>Attention Husbands & Wives</i>	<p>A husband and wife may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the County Office from either spouse. Husbands and wives who have “official” joint ventures or partnerships must have a power of attorney on file to sign for the entity.</p> <p>Also, if you are listed in the office as a Husband/Wife Joint Venture, you are reminded that all your business should be conducted under the same name. Failure to conduct your farming operation using the same name could cause a loss of all FSA program benefits.</p>
<i>Holiday</i>	This office will be closed on Monday, Februray 17 th in honor of President’s Day.

If you have any questions about this newsletter or any FSA program, please come by this office or call us at (806) 365-4453 extension 2.